

Preliminary questions

What is your role? *

Audit engagement partner



Please provide your name *

Adrienne Dempsey

Please provide the name of the organisation that you are employed by,
or affiliated with *

Audit Plus Accounting Services Limited

Please provide your email address *

adrienne@auditplus.nz

Weighing up the potential benefits and issues

Do you agree with the potential benefits and costs/risks as outlined in the consultation document?

Yes

No

Are there other benefits or costs and risks to consider? How might the issues identified be mitigated?

I think that the benefits and the mitigating factors outlined in the Costs/Risks items can be championed by the CAANZ, so that the expectation gap may be reduced for users of audited reports, and clients alike.

Do you consider that the benefits of adopting the ISA for LCE in New Zealand outweigh the costs and risks of doing so? *

Yes

No

Why?

NZ has 26,000 charities, with more incorporated societies coming on board under the new Inc Soc Act 2022. There is an under-abundance of assurance practitioners in NZ. The ISA LCE is required to provide a choice under the benefits listed.

Will you or your firm use the ISA (NZ) for LCE?

- Yes
- No
- Not applicable

When? Please provide your rationale.

As soon as we are able to adopt, we will. Smaller assurance firms need to be able to provide professional and compliant services, but without the complexities that exists with larger entity reporting. We spend a lot of time going through audit checklists, considering aspects of the audit that, with LCEs, just do not need to be there.

Does the timing of the maintenance of the ISA for LCE affect your view on its adoption?

- Yes
- No

Why?

In my view this could be dove-tailed into any changes implemented in the XRB accounting Tiers

Do you have any other comments regarding the potential benefits and issues, adoption, or maintenance of the ISA for LCE.

No

Applicability in New Zealand

Do you agree that FMC reporting entities with *higher levels* of public accountability should be prohibited from being audited under the ISA (NZ) for LCE?

Yes

No

Do you agree that we **do not** specifically prohibit FMC reporting entities with *lower levels* of public accountability from being audited under the ISA (NZ) for LCE? *

Yes

No

If you answered no to the above, please comment why

Are there any other entity types that you believe that we should specifically prohibit to ensure appropriate safeguards exist around the use of the ISA for LCE in New Zealand?

Do you agree with the XRB's position not to have a quantitative threshold within the Authority section of the ISA (NZ) for LCE? *

Yes

No

Do you have any other comments regarding the Authority?

No

Audit of service performance information (SPI) with the ISA (NZ) for LCE

Do you support the addition of Part 11 to the ISA (NZ) for LCE to enable the audit of SPI?

Yes

No

Are the requirements in Part 11 appropriately tailored for LCEs?

Yes

No

Are there requirements in Parts 1-10 that would be difficult to apply and should be refined? If so, how?

No in my view

Do you agree that the EEM included in Part 11 is appropriate?

Yes

No

What requirements in proposed ISA (NZ) for LCE could cause challenges for SPI? Do you have any suggestions on how to mitigate these challenges?

On-going engagement with sector reporters by professional bodies will help to provide guidance in this area. Not all reporting entities have access to systems suitable for data capture. Training to Governance Groups will also help their understanding on what is required.

Final questions

Do you have any comments on the proposed New Zealand specific amendments or the *Conforming amendments arising from the ISA (NZ) for LCE*?

No

Do you agree with the proposed application date of periods beginning on or after 15 December 2025?

Yes

No

Do you have any other comments on the proposed standard?

No

Thank you

We thank you for your time spent completing this feedback form. Please press submit for your response to be recorded.

If you have any further comments or attachments, send them to assurance@xrb.govt.nz